REMARKS

Upon entry of the present amendment, claims 1, 4-5, 7-10, and 12-25 will be pending in the application.

Claims 1, 4, 12, and 19 have been amended. Support for this amendment can be found at least in the application as filed, page 4, lines 1-3, and page 50, examples 1 and 2.

No claims have been canceled.

Claims 20-25 have been added to further define the present invention.

No new matter has been introduced by the foregoing amendments and new claims.

Amendments to, cancellation of, and additions to, the claims, as set forth above, are made in order to streamline prosecution in this case by limiting examination and argument to certain claimed embodiments that presently are considered to be of immediate commercial significance. Amendment or cancellation of the claims is not in any manner intended to, and should not be construed to, waive Applicants' right in the future to seek such unamended or cancelled subject matter, or similar matter (whether in equivalent, broader, or narrower form) in the present application, and any continuation, divisional, continuation-in-part, RCE, or any other application claiming priority to or through the present application, nor in any manner to indicate an intention, expressed or implied, to surrender any equivalent to the claims as pending after such amendments or cancellations

Reconsideration is respectfully requested in view of the foregoing amendments and following remarks.

1. <u>Allowable Subject Matter.</u>

Applicants appreciate the Examiner's indication that claim 18 would be allowable if rewritten in independent form. Claim 18 has been rewritten in independent form as claim 20. Therefore, Applicants respectfully request the allowance of claims 20-25.

2. <u>Rejection of claims 1, 4-5, 7-10, 12-17, and 19 as anticipated by U.S. Patent No. 6,166,150 to Wilke et al., hereafter "Wilke".</u>

Wilke teaches a process for preparing binders for one-component paint systems, which has the following steps: (I) preparation of a polyurethane-alkyd resin component (A) composed of a mixture (a) of (a1) an unsaturated C6-C30 fatty acid with at least two non-conjugated double bonds, and (a2) an unsaturated C6-C30 fatty acid with at least two conjugated double bonds as esterified side polymer chains of the polyurethane-alkyd component (A); and (b) polyurethane units with anionic groups and/or groups which can be converted into anionic groups as main polymer chains of the polyurethane-alkyd resin component (A). (Wilke, abstract).

Independent claims 1 and 19 as currently amended are directed to a pigmented coating composition comprising one or more pigments; a water soluble, fatty acid modified epoxy ester resin; and a binder obtained by polymerizing (A) an ethylenically unsaturated monomer or a mixture of ethylenically unsaturated monomers in the presence of (B) a polyurethane resin.

Independent claims 4 and 12 as currently amended are respectively directed to a process for preparing a pigmented coating composition and a method of stabilizing a pigment in a coating composition. The former comprises adding to a pigmented coating composition (comprising a pigment) a water soluble, fatty acid modified epoxy ester resin, wherein the pigmented coating composition comprises a binder obtained by polymerizing (A) an ethylenically unsaturated monomer or a mixture of ethylenically unsaturated monomers, in the presence of (B) a polyurethane resin. The latter comprises mixing at least one pigment with a water soluble, fatty acid modified epoxy ester resin, wherein the coating composition comprises a binder obtained by polymerizing (A) an ethylenically unsaturated monomer or a mixture of ethylenically unsaturated monomers, in the presence of (B) a polyurethane resin.

"[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference."

Verdegaal Bros. V. Union Oil Co. of California, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

Applicants respectfully submit that Wilke is silent regarding fatty acid modified epoxy ester resins. In fact, Wilke does not teach, explicitly or inherently, a composition comprising one or more pigments; a water soluble, fatty acid modified epoxy ester resin; and a binder obtained by polymerizing (A) an ethylenically unsaturated monomer or a mixture of ethylenically unsaturated monomers in the presence of (B) a polyurethane resin. Nor does Wilke teach, explicitly or inherently, methods of arriving at such compositions.

For at least the above reasons, Applicants respectfully assert that independent claims 1, 4, 12, and 19 as currently amended are patentable over Wilke, and as such, so are claims 5, 7-10, and 13-18, which depend from and further limit the foregoing independent claims. Withdrawal of this rejection and allowance of the claims is respectfully requested.

CONCLUSION

Applicants respectfully submit that the Application and pending claims are patentable in view of the foregoing remarks. A Notice of Allowance is respectfully requested. As always, the Examiner is encouraged to contact the Undersigned by telephone if direct conversation would be helpful.

Respectfully Submitted,

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